

LIHEAP PERFORMANCE MEASUREMENT

The Importance of Utility/Vendor Partnerships

Session Objectives:

- To underscore the importance of utility/vendor partnerships in LIHEAP Performance Measurement.
- To highlight the opportunities and challenges associated with LIHEAP Vendor Data Exchanges.
- To illuminate the benefit of data exchanges for vendors, LIHEAP program offices, and low-income households.

Background

- **Need for LIHEAP Performance Measurement**—In 2003, LIHEAP received its first assessment from OMB using the Federal Program Assessment Rating Tool (PART) and received the score of "results not demonstrated."
- **Performance Measures Work Group**—Between 2008-09, a group of state coordinators developed and recommended a set of “tiered” LIHEAP Performance measures to HHS. All proposed measures reflected the following LIHEAP outcome:

“Households can maintain continuous, safe, affordable energy service.”

- **The Performance Measure Implementation Group** was initiated in 2010 to further develop proposed measures and to assist grantees with implementation.

Proposed Required Performance Measures

The Performance Measures Implementation Work Group recommended that State LIHEAP Grantees be required to report on three outcome measures. HHS has accepted this recommendation and is currently pursuing clearance from the Office of Management and Budget (OMB) to collect data from LIHEAP grantees to support the following performance indicators:

- The average reduction in energy burden for households receiving LIHEAP fuel assistance.
- The percent of unduplicated households where LIHEAP prevented a potential home energy crisis.
- The percent of unduplicated households where LIHEAP benefits restored home energy.

Data Collection for Proposed Measures

What Household Data will Grantees need to collect for Households?

- Primary Heating/Cooling Source
- Secondary Heating/Cooling Source
- Gross Income
- Annual Total LIHEAP Benefit (Bill Payment Assistance)
- Equipment Repair or Replacement (Still Operable)
- Equipment Repair or Replacement (Non-Operational)
- Account Status (Disconnected, Shut-off Notice, Past Due, Almost Out of Fuel, Out of Fuel)
- **Annual Primary Heating Fuel Expenditures***
- **Annual Electricity Expenditures***
- **Annual Heating Fuel Consumption***
- **Annual Electricity Consumption***

**** Will Require Data Exchanges with Home Energy Suppliers***

Tentative Timeline

May 2013: Proposed Measures Submitted to OMB

June 2013: Federal Register Notice (Public Comment Period)

August 2013: OMB Approval

FY 2014: Training and Technical Assistance

FY 2015 (October 1, 2014): Grantees Required to Collect Data

FY 2016 (October 1, 2015): Grantees Required to Report Data

Grantees should be launching their efforts to collect and report on new Performance Measure data now.

Performance Measures Securing Wisconsin Utility/Wisconsin Customer Data

WE Energies
Xcel Energy

Collaborative Approach

- State level
- Inter-Utility
- Regulatory
- Legal

Perspective

- As of May 2013, 86% of LIHEAP applicants had been processed using the virtual data exchange
 - 300,000+ data exchanges

Where to Begin

- How do you manage a state requirement at the utility level?
 - System concerns
 - Prioritization
 - Benefits
 - Required or Optional?

What's Important?

- Mutually agreed upon benefits of increasing data security
- Efficient exchange of data with robust system integration
- Supplement other real time utility portals
- Accurate and timely benefits paid on customer accounts

Challenges.....

- Internal approvals necessary to begin any system enhancements
- Internal legal review to ensure compliance with current and future data privacy requirements
- Meeting response goals specific to data exchange

Results.....

- Significant reduction in calls to utility
- Increased protection of customer data
- Forward thinking approach to possible rule or law changes specific to data privacy
- Tracking of requests for information

Results.....

- Improved data integrity
- Improved timeliness of intake process/eligibility determination
- Reduced administrative burden for the local LIHEAP, local Weatherization staff and for utility staff

Results.....

- Expanded data elements for Weatherization energy audits
(actual consumption data AND cost data for electronic audit tools)
- Improved efficiencies of weatherization prioritization process
- Improved effectiveness of pre and post weatherization analysis



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**Session C: Performance Measures and HHS Data Collection:
The State of the Art**

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*Beyond Compliance – How grantees can use performance
measures to make decisions?*

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KEY PROGRAM INDICATORS (2010-2013)

- LIHEAP Awards (million \$): \$197.55 M; \$183.77 M; \$132.67 M; \$126.58 M.
- Percent of Income Eligible Population Served: 30% to 35%.
- Application Categories (new/recertified): 15%/85%
- LIHEAP Caseload (households): 240,000; 249,000; 238,000; 235,000.
- Home Heating Sources (% deliverables/utilities): 33%/ 66%.
- Average Heating Oil Prices (per gal.): \$2.86; \$3.90;\$3.98; \$3.86.
- Estimated Average Annual Heating Costs (deliverables/utilities): \$2,800/\$1,200.
- Annual Average LIHEAP Benefits (per household): \$1,070/\$960; \$1,090/\$915; \$855/\$570;\$860/\$570.

PERFORMANCE MEASURES – LEADERSHIP ENVIRONMENT

- Government Performance & Results Act (GPRA).
- American Recovery and Reinvestment Act (ARRA) performance & transparency initiatives.
- LIHEAP Performance Measures.
- Executive Order 540, Improving the Performance of State Government by Implementing a Comprehensive Strategic Planning and Performance Management Framework in the Executive Departments.
- “...Improve efficiencies of the programs offered by the agencies within the executive offices.” Section 5(A), Chapter 6A of the Governor’s 2013 budget.
- Massachusetts Performance Goals (EOHHS examples).
- Green Communities Act and LIHEAP Legislative Reporting.

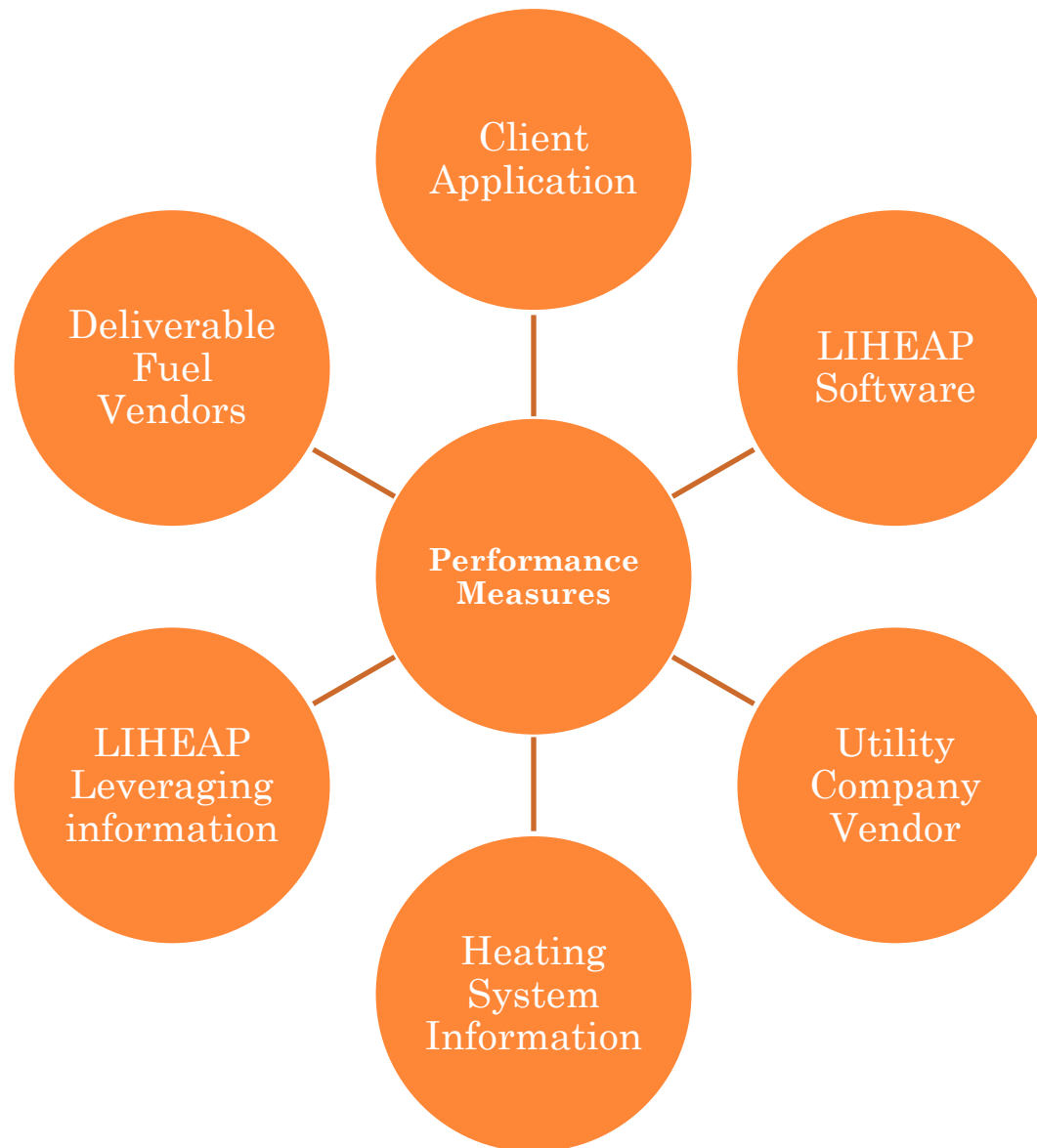
MASSACHUSETTS LIHEAP PERFORMANCE MEASURES – THE BUILDING BLOCKS



IMPLEMENTATION PROCESS

- Developed the MA LIHEAP Goals & Outcome Measures (2003 – 2010).
- Implemented an outcome-based work plan model (2003 – 2013).
- Formed a MA Performance Work Group (2012-present).
- Released deliverable fuel and utility data collection forms (2012 – present).
- Modified the data exchange process (2012 - present).
- Facilitated software changes (2012 - present).

WHERE ARE THE RESULTS?



PERFORMANCE MEASURES DATA – DELIVERABLE FUEL

Current

- Energy Costs
- Energy Consumption
- Number of non-LIHEAP payments
- Unpaid (non-LIHEAP) balance
- Budget plan
- No fuel or non-delivery situations

Future

- Energy Costs
- Energy Consumption
- Number of non-LIHEAP payments (vendor samples/clients?)
- Unpaid (non-LIHEAP) balance (vendor samples/clients?)
- Budget plan (vendor samples?)
- No fuel or non-delivery situations (software and vendor samples?)

PERFORMANCE MEASURES DATA – UTILITY COMPANIES

- Total heating costs & number of months billed.
- Account status (Active/Inactive/Final Billed).
- Consumption (kWh or Therms).
- Current customer?
- Received at least one service interruption notice?
- Customer had at least one service interruption.

PERFORMANCE MEASURES DATA – UTILITY COMPANIES

- Number of customer payments made (excluding LIHEAP payments).
- Customer arrearages and amounts.
- Did the customer enroll in an arrearage forgiveness program?
- Did the customer successfully complete an arrearage forgiveness program?

HOW DO THESE FIT INTO THE PERFORMANCE MEASURES FRAMEWORK?

Mandated Performance Measures

- ✓ Household energy burden is reduced.
- ✓ Home energy crises are prevented.
- ✓ Home energy services are restored.

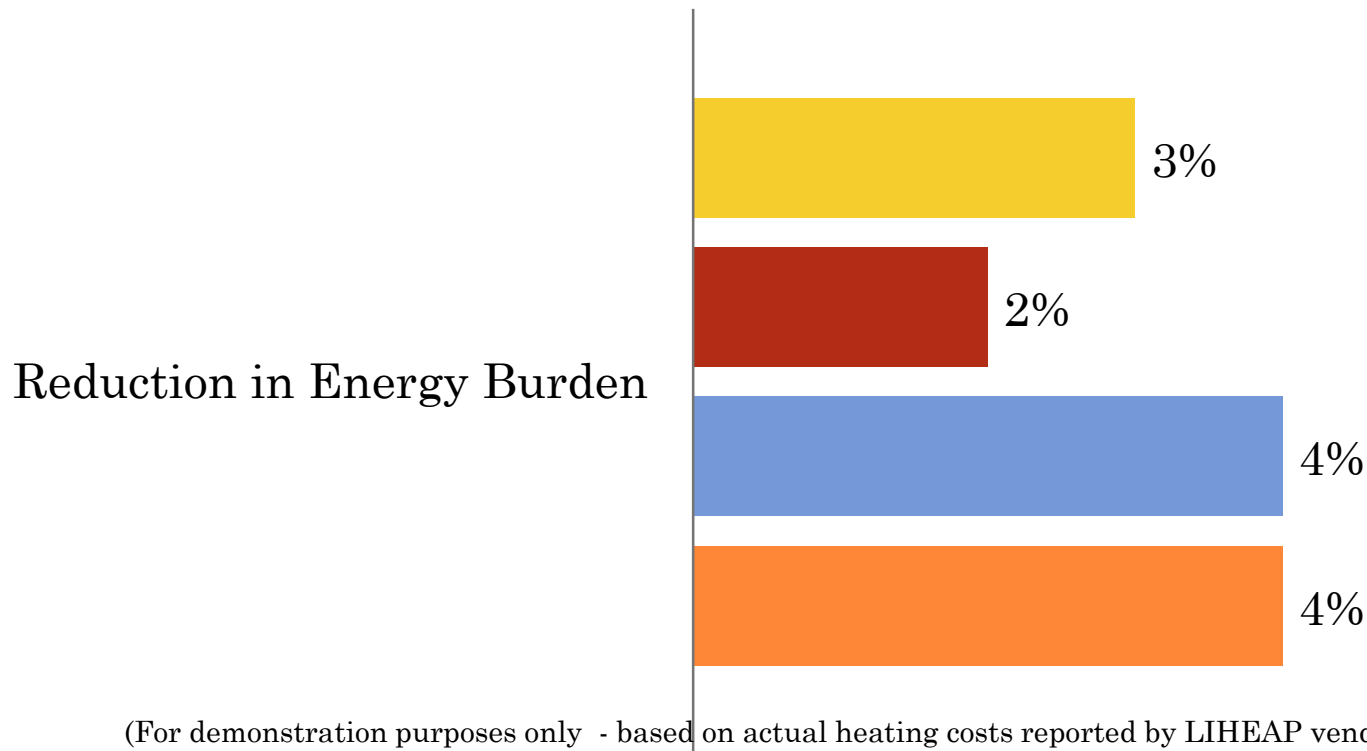
Optional Tier II & III Measures

1. Energy costs are reduced through weatherization.
2. Households benefit from energy advocacy.
3. Households benefit from value-added (leveraged) resources.
4. Households make payments for energy bills with increased consistency.
5. Households lowered or maintained arrearages and fewer households are in arrears.
6. Households use less energy after weatherization.
7. Average number of bill payments (with increased consistency).

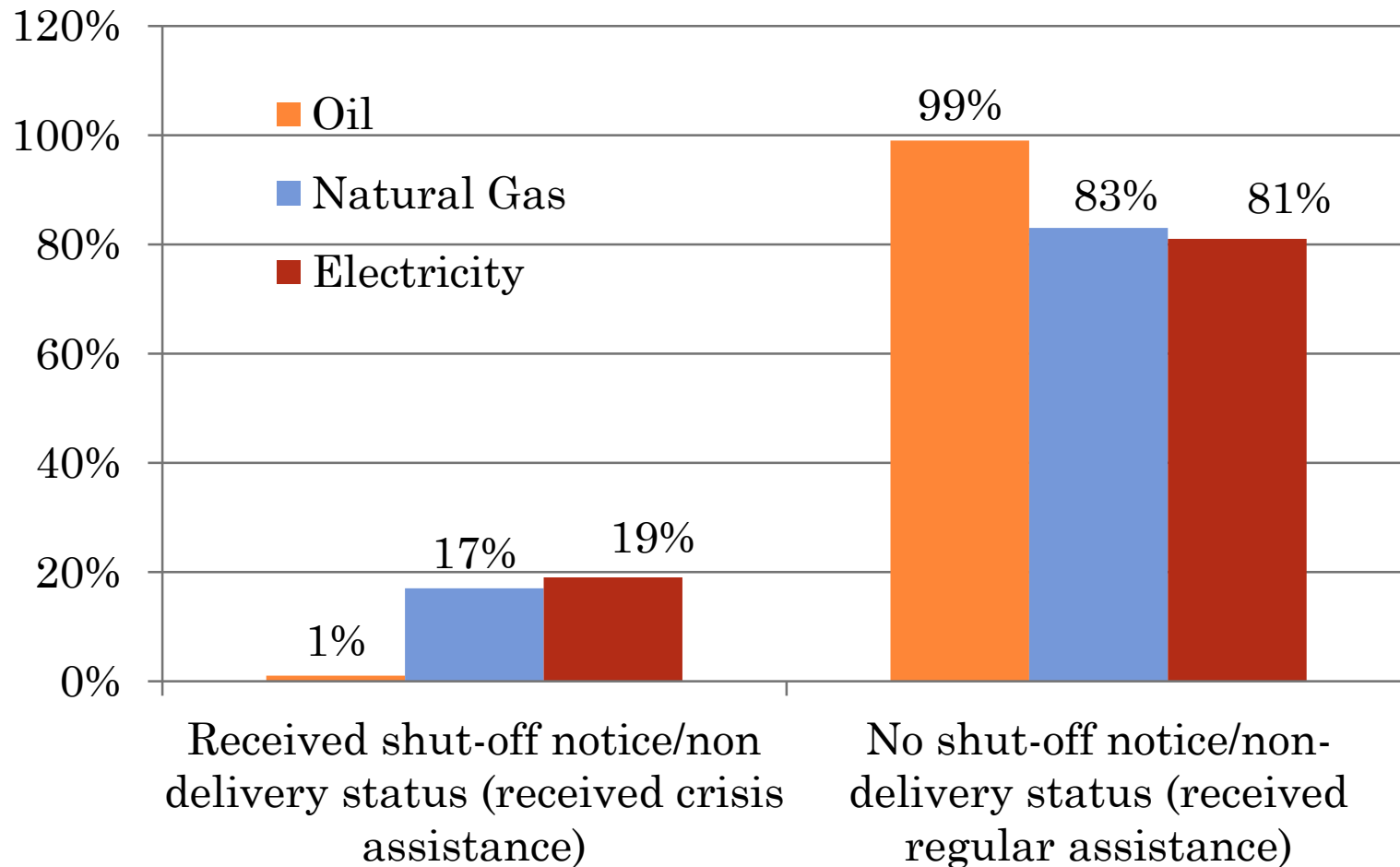
MANDATED MEASURE 1

Home Energy Burden is Reduced

■ Electricity ■ Natural Gas ■ Propane ■ Heating Oil

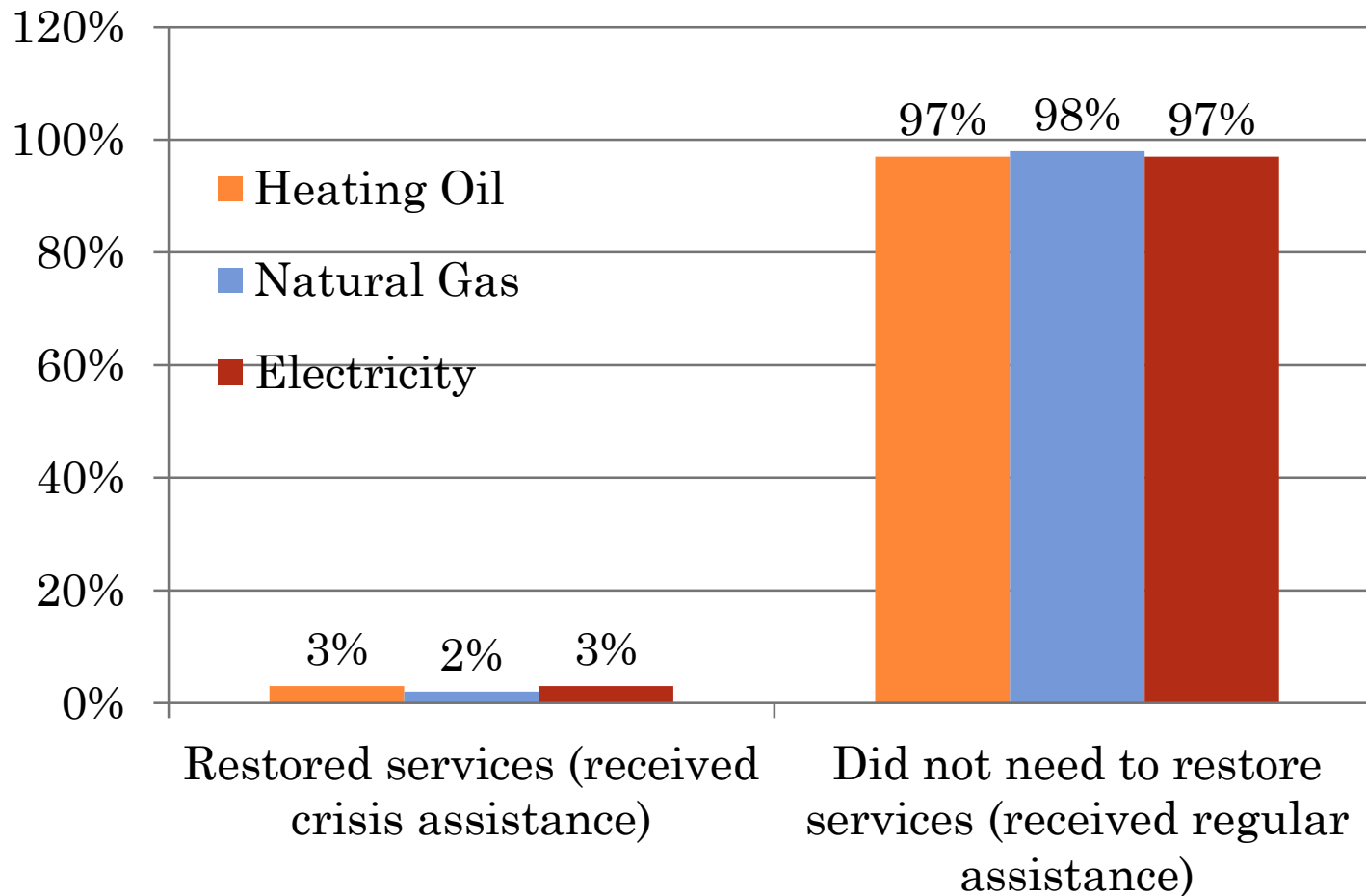


MANDATED MEASURE 2: HOME ENERGY CRISES ARE PREVENTED



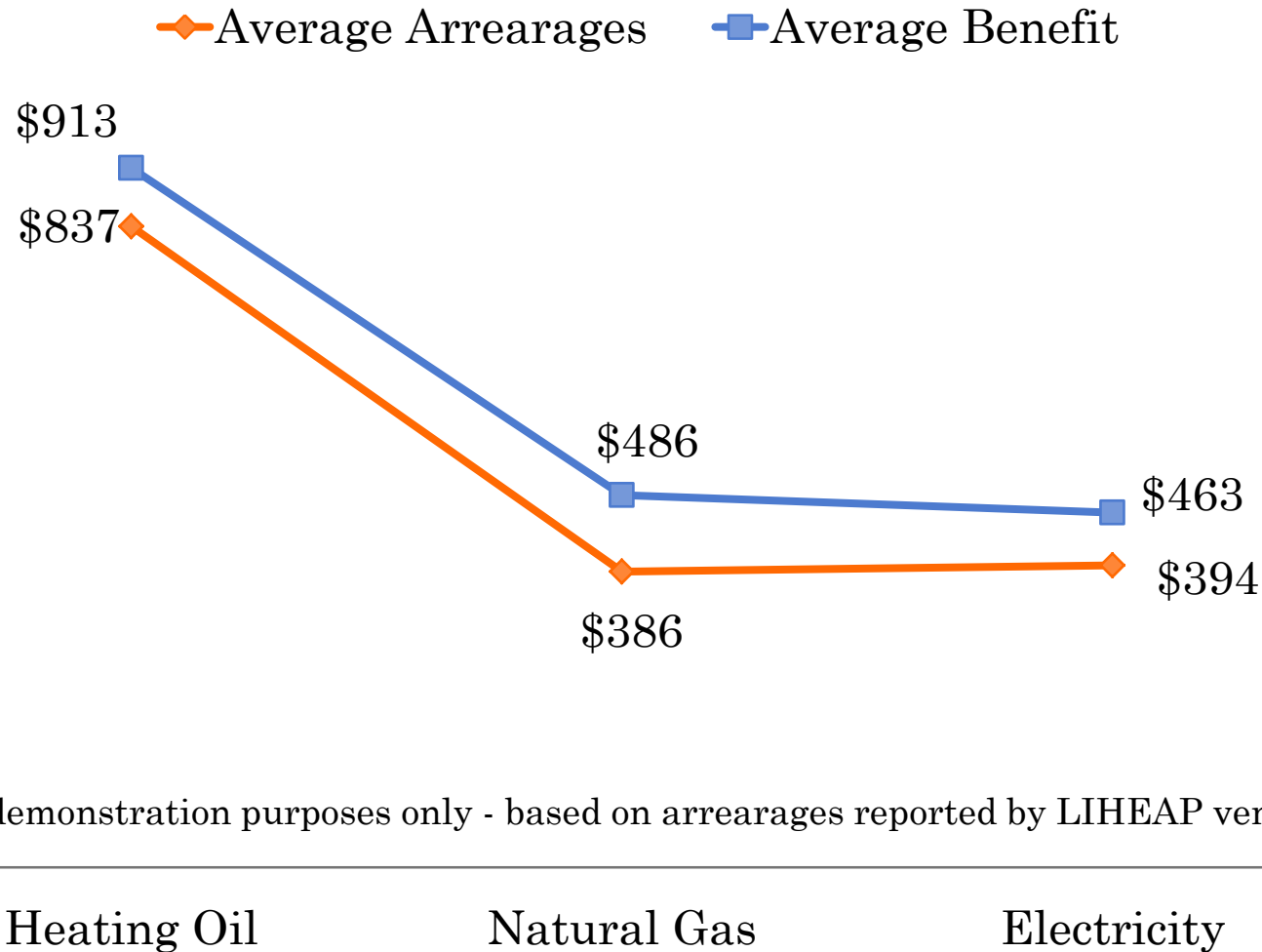
(For demonstration purposes only - based on data reported by LIHEAP vendors)

MANDATED MEASURES 3: HOME ENERGY SERVICES ARE RESTORED



(For demonstration purposes only - based on data reported by LIHEAP vendors)

OPTIONAL MEASURE: HOUSEHOLDS LOWERED OR MAINTAINED ARREARAGES



(For demonstration purposes only - based on arrearages reported by LIHEAP vendors)

EVIDENCE-BASED DECISION MAKING

Consumption/Energy Costs Can Determine:

- High Energy Cost Supplement Benefits.
- Tiered benefit models.
- Benefits for subsidized housing tenants.
- LIHEAP benefit coverage.
- Energy Burden.

Crisis Assistance Data Can:

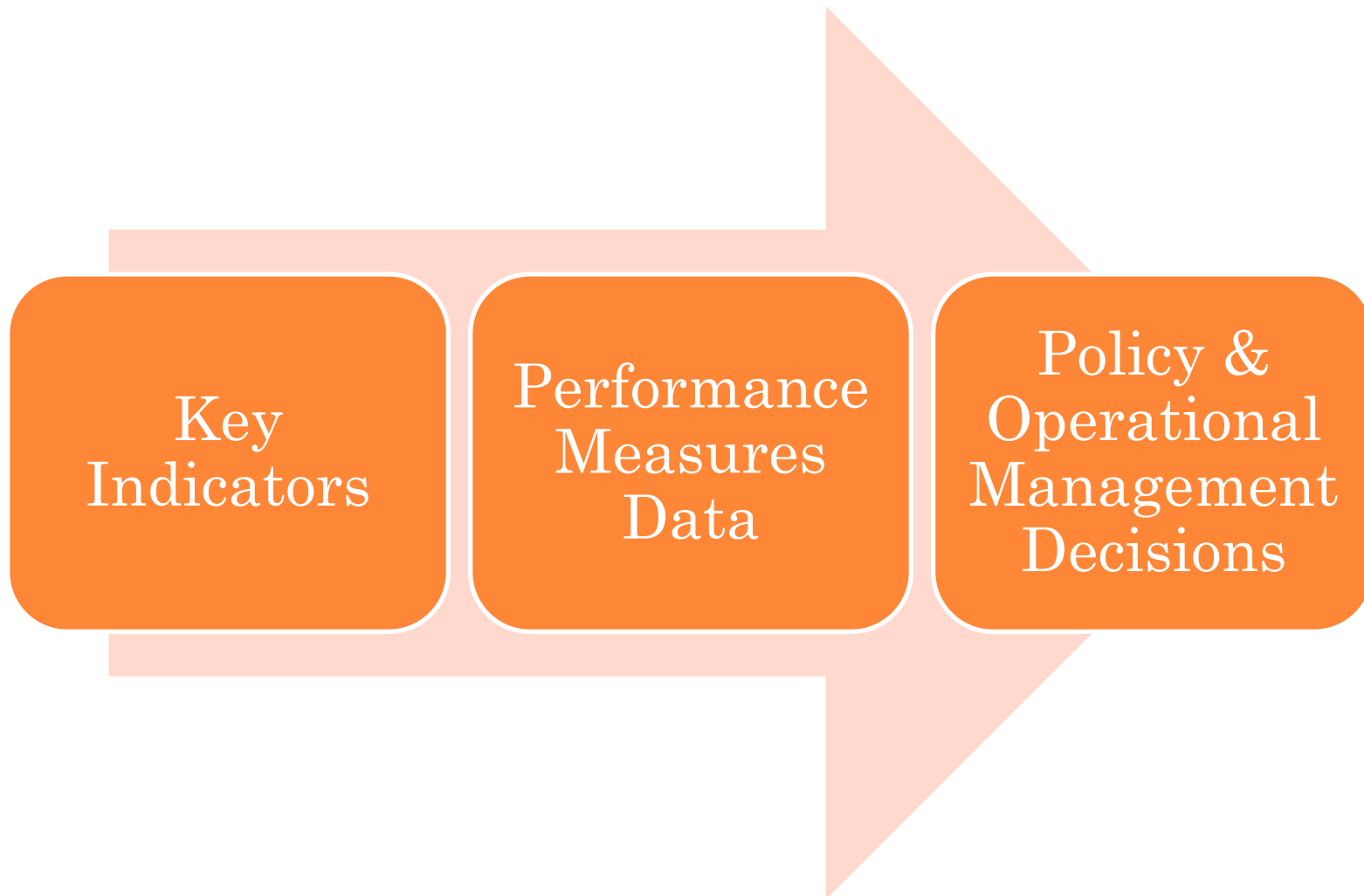
- Set a targeting index.
- Determine service interruptions.
- Help extend the program.

KEY TAKEAWAYS...

- Start early or NOW!
- Seek support from the senior management.
- Invest in staff time and software capabilities.
- Build and manage partnerships with the stakeholders.
- Facilitate training and technical assistance.
- Delegate data analysis to show results.
- Drive evidence-based policy & operational changes.
- Publish results.

Not in any order!

PERFORMANCE MEASURES – DRIVING THE DISCUSSION



RESOURCES

- <http://www.mass.gov/governor/legislativeexecorder/executiveorder/executive-order-no-540.html>
- <http://www.liheap.ncat.org/news/sept12/mareport.htm>
- <http://www.mass.gov/hed/docs/dhcd/cd/liheap/001fy12liheapstateplan.pdf>
- <http://www.mass.gov/hed/docs/dhcd/cd/liheap/app/01.doc>
- <http://www.mass.gov/hed/docs/dhcd/cd/liheap/reach-report.pdf>
- <http://www.mass.gov/eohhs/gov/departments/dph/programs/family-health/mch-block-grant/state-performance-measures-fy11-fy15.html>
- <http://www.mass.gov/hed/docs/dhcd/cd/liheap/app/>

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Challenges and Opportunities

- The PMIWG is aware of challenges associated with collecting vendor data—particularly among smaller, bulk fuel vendors.
- One work group goal is to learn from states who are already addressing this challenge, and share best practices with other grantees.

Training and Technical Assistance

Other steps being taken to help Grantees:

- Grantee Capacity Surveys and interviews are being conducted by APPRISE to help HHS/OCS assess unique training and technical assistance needs related to LIHEAP Performance Measurement.
- PMIWG is collecting best practices from other states (particularly from early-adopters) and will share this information through the Performance Measurement Website.
- Process tools, support resources, forums will also be available through the Performance Measures Website.
- T/TA Activities through OCS contracts will help grantees address data collection needs.

Questions or More Information

Information regarding LIHEAP Performance Measures is currently available at the LIHEAP Clearinghouse:

<http://www.liheap.ncat.org/>